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and Debtors in Possession*

**UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF CALIFORNIA  
SAN FRANCISCO**

**In re:**

Bankruptcy Case

No. 19-30088 (DM)

Chapter 11

(Lead Case)

(Jointly Administered)

**PG&E CORPORATION,**

**- and -**

**PACIFIC GAS AND ELECTRIC  
COMPANY,**

**Debtors.**

**[PROPOSED] ORDER PURSUANT TO 11 U.S.C.  
§§ 105(a), 362, AND 363 AND FED. R. BANKR. P.  
2002, 4001, AND 6004 (I) AUTHORIZING  
DEBTORS TO (a) SELL, TRANSFER, LEASE  
OR OTHERWISE ENCUMBER REAL  
PROPERTY, (b) ENTER INTO ACQUISITION,  
LEASE, LICENSE, AND PERMIT  
AGREEMENTS RELATING TO THIRD-PARTY  
PROPERTY, AND (c) PURSUE AND BRING  
EMINENT DOMAIN PROCEEDINGS TO  
JUDGMENT OR ENTER INTO SETTLEMENTS  
IN LIEU THEREOF, SUBJECT TO CERTAIN  
PROCEDURES AND PARAMETERS, AND  
(II) GRANTING RELATED RELIEF**

☐ Affects PG&E Corporation

☐ Affects Pacific Gas and Electric Company

☒ Affects both Debtors\*

*All papers shall be filed in the Lead Case,  
No. 19-30088 (DM).*

1           Upon the Motion, dated \_\_\_\_\_, 2019 (the “**Motion**”),<sup>1</sup> of PG&E Corporation (“**PG&E**  
2 **Corp.**”) and Pacific Gas and Electric Company (the “**Utility**”), as debtors and debtors in possession  
3 (collectively, “**PG&E**” or the “**Debtors**”) in the above-captioned chapter 11 cases (the “**Chapter 11**  
4 **Cases**”), pursuant to sections 105(a), 362, and 363 of title 11 of the United States Code (the  
5 “**Bankruptcy Code**”) and Rules 2002, 4001, and 6004 of the Federal Rules of Bankruptcy Procedure,  
6 for entry of an order (the “**Order**”) (I) authorizing the Debtors to (a) sell, transfer, lease, encumber or  
7 otherwise deal with real property interests, including without limitation, fee interests, leasehold  
8 interests, temporary and permanent easements, utility relocation agreements, conservation easements,  
9 land use restrictions, temporary and permanent licenses, and agreements or options to transfer or  
10 acquire same (collectively, “**Real Property Interests**”) held by the Debtors, (b) enter into agreements  
11 to acquire or otherwise deal with Real Property Interests, (c) pursue and bring eminent domain  
12 proceedings to judgments or enter into settlements in lieu thereof, and (d) implement procedures for  
13 the review and approval of such transactions, each subject to certain parameters and (II) granting other  
14 related relief, each as more fully set forth in the Motion; and this Court having jurisdiction to consider  
15 the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334, the Order Referring  
16 Bankruptcy Cases and Proceedings to Bankruptcy Judges, General Order 24 (N.D. Cal.), and Rule  
17 5011-1(a) of the Bankruptcy Local Rules for the United States District Court for the Northern District  
18 of California; and consideration of the Motion and the requested relief being a core proceeding  
19 pursuant to 28 U.S.C. § 157(b); and venue being proper before this Court pursuant to 28 U.S.C. §§  
20 1408 and 1409; and the Court having found and determined that notice of the Motion as provided to  
21 the parties listed therein is reasonable and sufficient under the circumstances, and it appearing that no  
22 other or further notice need be provided; and this Court having reviewed the Motion, the Williams  
23 Declaration; and this Court having held a hearing on the Motion; and this Court having determined  
24 that the legal and factual bases set forth in the Motion establish just cause for the relief granted herein;  
25 and it appearing that the relief requested in the Motion is in the best interests of the Debtors, their

26 \_\_\_\_\_  
27 <sup>1</sup> Capitalized terms used but not otherwise defined in this Order have the meanings given in the  
28 Motion.

1 estates, creditors, shareholders, and all parties in interest; and upon all of the proceedings had before  
2 this Court and after due deliberation and sufficient cause appearing therefor,

3 **IT IS HEREBY ORDERED THAT:**

- 4 1. The Motion is granted as set forth herein.
- 5 2. The Debtors are authorized to (a) sell, transfer, lease, encumber or otherwise  
6 deal with Real Property Interests, (b) enter into agreements to acquire or otherwise deal with  
7 Real Property Interests, and (c) pursue and bring eminent domain proceedings to judgment or  
8 enter into settlements in lieu thereof, each without further application or motion to this Court  
9 and without any further authorization of this Court being required, subject to the following  
10 procedures (the “**Procedures**”):

11 a) **Transactions Requiring Review by the Committees**

- 12 i. The Debtors shall submit to the advisors for each of the Committees the  
13 following Real Property Interest transactions for review:
- 14 • Any transaction involving an individual Real Property Interest  
15 where the consideration in question is between \$5 million and \$10  
16 million;
  - 17 • Any sale of an individual Real Property Interest pursuant to the  
18 exercise of an eminent domain action or settlement in lieu thereof,  
19 and any stipulation to lift the automatic stay to allow the applicable  
20 condemning authority to pursue any such eminent domain  
21 proceeding, where the consideration in question is between \$1  
22 million and \$5 million;
  - 23 • Any lease or license of a Real Property Interest by PG&E where  
24 the initial annual rental obligation or license fee is between  
25 \$500,000 and \$1 million (with the annual rental obligation or  
26 license fee in subsequent years subject to commercially reasonable  
27 escalations);
  - 28 • Any acquisition of a Real Property Interest by PG&E’s  
exercise of eminent domain or a settlement in lieu thereof  
where the consideration in question is between \$2 million and  
\$5 million; and
  - Any of the foregoing transactions that is pending at the time  
this Order is entered shall be subject to this Order and shall be  
subject to the same review and approval procedure described  
herein.

- ii. The Committees shall have five (5) business days to review transactions submitted by PG&E.
- iii. If the Committees do not object to the transaction within five (5) business days, the Debtors may enter into or consummate the transaction without further Court order and any third-party may rely on the representations of the Debtors that these procedures have been complied with and that no objections have been received.
- iv. If a Committee objects to the transaction within such five (5)-business day period, the Debtors must seek Court approval of such transactions unless the Committee's objection is resolved or withdrawn.
- v. The Debtors may file a motion seeking approval of such transactions on an expedited basis, and must serve such motion on the Committees and the U.S. Trustee on no less than ten (10) days' notice.

b) **Transactions Requiring Court Approval**

- i. The Debtors shall submit for approval by the Court the following Real Property Interest transactions:
  - Any sale or other transaction involving an individual Real Property Interest where the consideration in question exceeds \$10 million;
  - Any sale of an individual Real Property Interest pursuant to the exercise of an eminent domain action or settlement in lieu thereof, and any stipulation to lift the automatic stay to allow the applicable condemning authority to pursue any such eminent domain proceeding, where the consideration in question exceeds \$5 million;
  - Any lease or license of a Real Property Interest by PG&E where the initial annual rental obligation or license fee exceeds \$1 million (with annual rental obligation or license fee in subsequent years subject to commercially reasonable escalations); and
  - Any acquisition of a Real Property Interest by PG&E's exercise of eminent domain or a settlement in lieu thereof where the consideration in question exceeds \$5 million.
- ii. The Debtors shall file a motion seeking such approval on an expedited basis, and must serve such motion upon the Committees and the U.S. Trustee on no less than ten (10) days' notice.

c) **Transactions Requiring No Committee Review or Court Approval**

i. The Debtors shall be permitted to enter into and consummate the following Real Property Interest transactions without Committee review or Court approval:

- Any transaction involving an individual Real Property Interest where the consideration in question is below \$5 million;
- Any sale of an individual Real Property Interest pursuant to the exercise of an eminent domain action or settlement in lieu thereof, and any stipulation to lift the automatic stay to allow the applicable condemning authority to pursue any such eminent domain proceeding, where the consideration in question is below \$1 million;
- Any lease or license of a Real Property Interest by PG&E where the initial annual rental obligation or license fee is below \$500,000 (with the annual rental obligation or license fee in subsequent years subject to commercially reasonable escalations); and
- Any acquisition of a Real Property Interest by PG&E's exercise of eminent domain or a settlement in lieu thereof where the consideration in question is below \$2 million.

3. Neither the Motion nor this Order addresses or purports to govern transactions that are undertaken pursuant to a confirmed plan of reorganization in these Chapter 11 Cases, which shall be governed by subsequent order(s) of this Court.

4. To the extent applicable, pursuant to section 362(d)(1) of the Bankruptcy Code, the automatic stay shall be lifted with respect to eminent domain proceedings as necessary to effectuate the relief granted in this Order only if PG&E stipulates to lift the stay.

5. Notice of the Motion satisfies the requirements of Bankruptcy Rule 6004(a).

6. Notwithstanding the provisions of Bankruptcy Rules 4001 and 6004(h), this Order shall be immediately effective and enforceable upon its entry.

7. The Debtors are authorized to take all actions necessary to effectuate the relief granted in this Order in accordance with the Motion.

8. This Court retains exclusive jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.

**\*\* END OF ORDER \*\***